

Clause 1: VED: applicable CO₂ emissions figure determined using WLTP values

Summary

1. The government announced at Budget 2017 it would introduce a new regime for calculating a car's CO₂ emissions, known as the Worldwide Harmonised Light vehicles Test Procedure (WLTP). This will apply to all cars first registered from 6 April 2020 onwards and replaces emissions testing under the New European Driving Cycle (NEDC). This clause provides for a number of amendments to Schedule 1 to the Vehicle Excise and Registration Act (VERA) 1994 in order to facilitate implementation of the new regime.

Details of the clause

2. Subsection (1) provides amendments to various paragraphs of Schedule 1 to VERA 1994 (annual rates of duty), for example, the meaning of "the applicable CO₂ emissions figure". In paragraph 1GA(5), paragraph (a) makes a minor amendment to subparagraph (a).
3. Paragraph (b) amends subparagraph (b), which relates to ignoring WLTP values, in (i) to refer to vehicles first registered before 1 April 2020; in (ii) to amend the definition of WLTP to align with that used by various regulatory bodies in the UK; and in (iii) to allow figures from a UK approval certificate to be used.
4. Paragraph (c) introduces new paragraph (c) which provides that for vehicles first registered on or after 6 April 2020, WLTP values may not be ignored.
5. Subsection (2) provides that these changes have effect in relation to licences taken out on or after 6 April 2020.

Background note

6. From 1 September 2017, a new emissions test procedure was introduced (WLTP). All EC certificates of conformity or UK approval certificates for new cars now show CO₂ emissions figures based upon the WLTP test procedure, in addition to those based upon the existing methodology (NEDC).
7. Schedule 1 to VERA 1994 provides the legislation for annual rates of duty. This clause makes a number of amendments to facilitate the implementation of the WLTP regime.
8. If you have any questions about this change, or comments on the legislation, please contact: ETTAnswers@HMTreasury.gov.uk.